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**Survey of Employers’ Recruitment Experiences – Cairns PEA**

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The Cairns Priority Employment Area (PEA) makes up 91 per cent of the Far North labour force region.

The Cairns Priority Region is made up of the following Local Government Areas:

Cairns LGA

Cassowary Coast LGA

Tablelands LGA

Yarrabah LGA

Please note that the boundaries in the map are based on the 2006 ASGC. Since this time there has been a major consolidation of Local Government Areas in Queensland. This has affected all LGAs in the Cairns Priority Employment Area.

* The Atherton, Eacham, Herberton and Mareeba LGAs now fall within the Tablelands LGA.
* The Cardwell and Johnston LGAs now falls within the Cassowary Coast LGA
* The Douglas LGA now falls within the Cairns LGA
* SLAs within the Cairns LGA:
* Cairns – Barron
* Cairns – Central Suburbs
* Cairns – City
* Cairns – Mt Whitfield
* Cairns – Northern Suburbs
* Cairns – Trinity
* Cairns – Western Suburbs
* Cairns – Pt B
* Douglas
* SLAs within the Cassowary Coast LGA:
* Cardwell
* Johnstone
* SLAs within the Tablelands LGA:
* Atherton
* Eacham
* Herberton
* Mareeba
* SLAs within the Yarrabah LGA:
* Yarrabah

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**Snapshot of the Region**

Compared to the state of Queensland, the Cairns PEA labour market is largely subdued, with consistently high unemployment, a large proportion of income support recipients and jobless families, and long average duration of unemployment.

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**Cairns Population Profile**

*Source: Estimated Residential Population, 2007 and 2012; ABS, Census of Population and Housing, 2011 LGA and PEA population figures rounded to nearest 10, state and national to nearest 100*

The adult population in the Cairns PEA grew by 10 per cent from 2007 to 2012, on par with Australia (10 per cent).

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**Age Distribution**

*Source: ABS Estimated Residential Population, 2012*

This graph shows the age distributions of the Cairns PEA as of 2012.

While there is a dip in the 20-34 year old proportion of the population, this is relatively small compared with some other regions in Australia.

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**Where are new arrivals coming from?**

*Source: ABS, Census of Population and Housing 2011 & 2006*

Some 40,000 people moved to the Cairns PEA in the 5 years to 2011, with a large number of these coming from elsewhere in Queensland (16,700) and overseas (9,500).

At least 26,500 people moved from the Cairns PEA to elsewhere in Australia. This does not include those who had resided in the Cairns PEA in 2006 and who moved overseas by 2011.

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**International Visitors- Tropical North Queensland**

*Source: Tourism Research Australia, September 2013*

The number of international visitors to Tropical North Queensland declined substantially following the global recession in 2008. However, visitor numbers had recovered somewhat between 2012 and 2013.

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Tropical North Queensland extends from Mission Beach/Tully in the south to the northern (Cape York) and westernmost extremes of the state of Queensland. For example, Burketown (Gulf of Carpentaria) is included, however Mt Isa is not.

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**Employment growth mostly among part-time workers**

*Source: ABS, Census of Population and Housing, 2011 and 2006*

Between 2006 and 2011, employment growth occurred mainly among part-time workers.

Growth in full-time male employment was very low (0.4 per cent) compared with part-time growth (19.5 per cent). The difference between female full-time employment growth (7.6 per cent) and part-time growth (11.1 per cent) was smaller.

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**Consistently higher unemployment rate...**

*Source:* *Department of Employment Small Area Labour Markets, September Quarter 2013; ABS Labour Force Data, November 2013 (12 month averages*

The unemployment rate for the Cairns PEA has remained consistently above the national rate since March 2008.

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**Regional disparity**

*Source: Department of Employment, Small Area Labour Markets, September Quarter 2013 (Smoothed), 6202.0 Labour Force, Queensland, December 2013 (Seasonally Adjusted), ABS, Census of Population and Housing, 2011*

In September 2013 the unemployment rate in the Cairns PEA was 7.7 per cent.

Within the Cairns PEA, the Yarrabah LGA had the highest unemployment rate   
(13.1 per cent).

The Yarrabah LGA also had the lowest labour force participation rate (54.1 per cent). Labour force participation in the Cairns LGA was relatively high (78.8 per cent).

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**Long duration of unemployment**

*Source: ABS Labour Force, December 2013 (12 month averages)*

Long-term unemployed are those who have been unemployed and looking for work for at least 52 weeks.

A larger proportion of people in the Far North Queensland LFR were considered long term unemployed (28 per cent) compared with Queensland (20 per cent) and Australia (21 per cent).

The average duration of unemployment in the Far North Queensland LFR was 42 weeks, significantly higher compared with the state (35 weeks) and national averages (37 weeks).

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**Many families jobless**

*Source:* ABS, *Census of Population and Housing, 2011*

The proportion of jobless families (20 per cent) is substantially higher compared with the state of Queensland (14 per cent).

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**High rates of income support**

*Source: Department of Employment, Administrative data, December 2013 and December 2012; Estimated Resident Population, 2012*

In December 2013, 21 per cent of the Working Age Population (WAP) were in receipt of an income support payment in the Cairns PEA. This was larger when compared with Queensland (17 per cent). In the Tablelands LGA, 25 per cent of the WAP was in receipt of an income support payment.

Some 9 per cent of the Cairns PEA (WAP) were in receipt of an unemployment benefit, higher than the state (6 per cent).

10 per cent of the WAP in the Tablelands LGA were in receipt of an unemployment benefit.

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**Teenagers experiencing labour market challenges**

*Source: ABS Labour Force data, December 2013 (12 month average)*

Due to their lack of skills and experience, teenagers in the full-time labour market can be particularly vulnerable during a labour market downturn.

The teenage full-time unemployment rate is the proportion of those aged 15 to 19 years, participating full-time in the labour market, who are unemployed.

As at December 2013, the teenage full-time unemployment rate for the Far North Queensland LFR was 34.1 per cent, higher than both the state (28.3 per cent) and national (25.8 per cent) rate.

As at November 2013, the teenage full-time unemployment to teenage population ratio in the Far North Queensland LFR (7.5 per cent) was higher than both the state (5.5 per cent) and national (4.1 per cent) averages.

\*The Cairns PEA comprises 91 per cent of the working age population (15-64 years) of the Far North LFR.

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**What are the youth doing?**

*Source: ABS, Census of Population and Housing, 2011*

At the time of the 2011 Census, there were 24,140 15-24 year olds in the Cairns PEA, of whom 13,650 (57 per cent) were not studying.

In particular, 17 per cent (4,170 people) of youth aged 20 to 24 were not studying and not employed and 10 per cent (2,380 people) had not completed Year 12. These figures are higher compared with Queensland, where 12 per cent of youth aged 20 to 24 were not studying and not employed and 7 per cent had also not completed Year 12. This group is especially at risk given their lack of Year 12 Certificate and level of disengagement within the labour market.

**Note:** Not stated records for FT/PT Student Status, Labour Force Status and Higher Year of School Completed have not been included.

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**Young people disengaged in Cairns PEA**

*Source: ABS, Census of Population and Housing, 2011*

For young adult males in the PEA, 9 per cent were not in the labour force and not studying and 10 per cent were unemployed and not studying. For young adult females in the PEA, 20 per cent were not in the labour force and not studying and a further 6 per cent were unemployed and not studying.

The proportion of those aged 20-24 years in the Tablelands LGA who were neither working nor studying was particularly high. Some 10 per cent of males were unemployed and not studying, while 12 per cent were not in the labour force and not studying. While 6 per cent of females aged 20-24 were unemployed and not studying, a very large proportion (31 per cent) were not in the labour force and not studying.

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**Educational attainment:**

*Source:* ABS, *Census of Population and Housing,* 2011

Job seekers who have not completed Year 12 and have limited experience in the workforce are likely to lack many basic employability skills that employers value and look for in applicants, particularly for lower skilled vacancies and entry level positions such as apprenticeships and traineeships.

At the time of the 2011 Census, the proportion of 25 to 34 year olds in the Cairns PEA who had completed Year 12 or equivalent was 69 per cent, smaller than Queensland (74 per cent).

20 per cent of 25-34 year olds in the Cairns PEA had attained a Bachelor Degree or Higher, lower than Queensland (29 per cent). However, the proportion of people in the PEA who attained an Advanced Diploma, Diploma, or Certificate III and IV level (35 per cent) was larger than Queensland (32 per cent).

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**Educational Attainment and Labour Market Outcomes**

*Source: ABS Census of Population and Housing, 2011*

There is a strong relationship between educational attainment and employment outcomes. For those aged 25 to 34 years in the Cairns PEA, there were high unemployment rates for those who had completed Certificate I & II but had not completed Year 12 (27.2 per cent) and those who did not complete Year 12 without any further post school qualification (19.7 per cent).

Unemployment rates are considerably lower for those who have completed a tertiary education at the Bachelor degree, Advanced Diploma and Diploma Level. It should also be noted that employment outcomes are better for those who have attained Certificate Levels III or IV. This emphasises the importance of post school education in ensuring success in gaining employment.

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**Indigenous labour market outcomes**

*Source:* ABS, *Census of Population and Housing,* 2011

A relatively high proportion of the working age population of the Cairns PEA   
(10 per cent) is from an Indigenous background compared with Queensland   
(3 per cent)

Indigenous people in the Cairns PEA typically face weaker labour market outcomes, with high unemployment (28 per cent) and low participation (54 per cent) compared with Non-Indigenous people.

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**Largest employing industries**

*Source: ABS Census of Population and Housing 2011*

The largest employing industries in the Cairns PEA are the Health Care and Social Assistance (12 per cent), Retail Trade (12 per cent), Accommodation and Food Services (10 per cent) and Construction (9 per cent).

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**5 year change in employment**

*Source: ABS Census of Population and Housing 2006 and 2011*

Employment in the Health Care and Social Assistance industry increased by   
36 per cent in the 5 years to 2011.

By contrast, employment growth was low or negative in Manufacturing (-8 per cent), Agriculture Forestry and Fishing (-6 per cent), Accommodation and Food Services   
(-1 per cent) and Retail Trade (0 per cent).

Total employment growth across all industries in the Cairns PEA was 7 per cent compared with 10 per cent for Australia.

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**Projected employment growth, largest employing industries**

*Source: Department of Employment, Employment Projections   
(5 years from November 2012 to November 2017)*

This graph shows the projected employment growth by industry in the Cairns PEA. Much of the growth in employment within the PEA is expected to be in Health Care and Social Assistance and Construction industries.

The Retail Trade and Manufacturing industry is expected to decrease.

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**Recruitment activity varied**

*Source: Department of Employment, Survey of Employers’ Recruitment Experiences, July 2013, Cairns Priority Employment Area*

387 employers were surveyed in the Cairns PEA in July 2013.

Unfilled vacancies in employers’ most recent recruitment round were low   
(1.8 per cent).

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**Strong competition but few suitable applicants**

*Source: Department of Employment, Survey of Employers’ Recruitment Experiences, July 2013, Cairns Priority Employment Area*

Competition for vacancies was high in the Cairns PEA, with an average of 10.0 applicants per vacancy.

Clerical and Administration workers had the strongest competition for vacancies (28.0 applicants per vacancy), followed by Managers and Professionals   
(12.2 applicants per vacancy).

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**The recruitment process – Cairns PEA**

*Source: Department of Employment, Survey of Employers’ Recruitment Experiences, July 2013, Cairns Priority Employment Area*

This slide shows the recruitment process employers go through in the Cairns PEA.

On average employers in Cairns receive 10 (10.0) applicants per vacancy

Of these applicants on average only 3 (2.6) are interviewed.

Of these interviewed applicants only 1 (1.4) are suitable for the vacancy.

The reason those applicants do not get an interview were:

* Lack of relevant experience
* Insufficient qualifications or training
* Poor application
* Basic employability skills

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**Basic Employability Skills**

*Source: DEEWR, Survey of Employers’ Recruitment Experiences, All regions surveyed in the 12 months to December 2010*

Employers frequently identified the following employability skills:

* Self-motivation
* Good presentation
* Friendliness
* Communication skills
* Confidence
* Teamwork

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**Many employers use informal methods**

*Source: Department of Employment, Survey of Employers’ Recruitment Experiences Cairns Priority Employment Area, July 2013*

A large proportion (40 per cent) of employers used informal methods only. On average, competition for vacancies was lower when employers used informal methods only, with an average of 3 applicants per vacancy, or whom 2 received an interview.

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**Occupations Difficult to Fill**

*Source: Department of Employment, Survey of Employers’ Recruitment Experiences, July 2013, Cairns Priority Employment Area*

This slide shows the vacancies that employers considered difficult to fill in the Cairns PEA.

**Higher Skill Level – Bachelor Degree or higher Medium Skill Level - Certificate IV to Associate Degree**

Chefs

Early Childhood (Pre-primary School) Teachers

Motor Mechanics

Air conditioning and Refrigeration Mechanics

**Lower Skill Level – Compulsory Secondary Education to Certificate III**

Bar Attendants and Baristas

Motor Vehicle and Vehicle Parts Salespersons

Retail Supervisors

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**Recruitment outlook….**

*Source: Department of Employment, Survey of Employers’ Recruitment Experiences, July 2013, Cairns Priority Employment Area*

38 per cent of employers expected to recruit in the next 12 months

17 per cent of employers expected to *increase* staff numbers in the next 12 months

Strong recruitment expected in the Accommodation and Food Services and Health Care and Social Assistance industries in the next 12 months

Employers expect to recruit for occupations such as Sales Assistants (General), Bar Attendants and Baristas , Waiters, Housekeepers, Chefs and Kitchenhands

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**Single greatest concern for the future (in the 12 months following the survey)**

*Source: Department of Employment, Survey of Employers’ Recruitment Experiences, July 2013, Cairns Priority Employment Area*

By far the single greatest future concern for employers was a downturn in the economy and demand for their services/products (55% of employers). Recruitment or retention difficulty/skill shortages was a concern for 8% of employers.

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**Conclusion**

**Labour market subdued**

* Unemployment rate still high despite recent improvements
* Strong competition for limited vacancies

**Challenges**

* Teenage unemployment, disengaged youth, low education levels, high levels of income support, jobless families, long-term unemployed and Indigenous unemployment
* Creating pathways into new opportunities
* Future labour supply

**Opportunities**

* Strong employment growth expected in the Health Care and Social Assistance
* Employment opportunities from strengthening Tourism sector
* Many major development projects in the pipeline likely to impact on demand for labour

**Job seekers need to have…**

* Employability skills, positive attitudes
* Education and Training

**Collaboration with key stakeholders**

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**Further Information**

More information on labour market conditions and other research on small areas can be found on these web sites:

* www.deewr.gov.au/RegionalReports
* www.deewr.gov.au/LMIP
* www.deewr.gov.au/SkillShortages
* www.deewr.gov.au/australianjobs
* www.joboutlook.gov.au
* www.deewr.gov.au/news/aussie-jobs-publication-highlights-employment-growth

A report on the survey findings for the Bundaberg-Hervey Bay Priority Employment Area will be placed on the regional reports section of the Department of Employment web site.

Thank you.

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If you have any questions about the presentation please contact the Employers Surveys Section or Recruitment Analysis Section on:

Tel: 1800 059 439 or

Email: recruitmentsurveys@deewr.gov.au

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**Australian Government**

**Department of Employment**